# LEGISLATIVE SERVICES AGENCY

## OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

**LS 6721 NOTE PREPARED:** Dec 31, 2011

BILL NUMBER: SB 415 BILL AMENDED:

**SUBJECT:** Liability for Use of School Facilities.

FIRST AUTHOR: Sen. Schneider BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill limits the liability of a school that provides physical fitness activities to the general public.

Effective Date: July 1, 2012.

#### **Explanation of State Expenditures:**

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** Under this bill, school corporations would not be held liable in certain situations involving the use of their physical fitness equipment by the public. There are two situations where a corporation would still be liable:

- 1. If it intentionally ignored a potential hazard with the equipment or failed to ensure that its personnel were properly trained in its use.
- 2. If it entered into a contract with a private entity for use of the equipment and failed to post the appropriate warning sign as stipulated by this bill.

There are currently no data available to indicate if this bill would influence the number of civil suits brought by individuals seeking compensation from school corporations for damages caused by the individual's use of the school's exercise equipment. The fiscal impact would depend on whether the school would have to incur costs such as attorney's fees in defending itself in civil suits, and pay damages if this provision were not implemented. This provision may also result in lower liability insurance cost for some school corporations; the amount of the decrease, if any, is indeterminable at this time.

SB 415+ 1

**Explanation of Local Revenues:** Under this bill, the number of schools willing to permit the public to use their recreational facilities for a fee may increase. The amount of revenue to be earned from this initiative is indeterminable at this time.

# **State Agencies Affected:**

**Local Agencies Affected:** School corporations.

**Information Sources:** 

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SB 415+ 2